(a) whether it is a fact that the bullet proof steel fabricated by SAIL in collaboration with Defence Research Development Organisation (DRDO) and extensively used for bullet proof vehicles and vests by the paramilitary forces and police in militancy affected States have proved high percentage of failure rate;

(b) if so, what are the details; and

(c) the steps taken by Government in this regard?

THE MINISTER OF STATE OF THE MINISTRY OF STEEL (SHRI DILIP RAY) : (a) to (c) Yes, Sir. Some of the samples of bullet proof (BP) steel supplied by SAIL have failed in ballistic tests due to manufacturing defects such as thickness variation, improper hardness and heavy lamination.

Defence Research and Development Organisation (DRDO) had developed the bullet proof steel and transferred the technology to SAIL. SAIL has taken appropriate measures to resolve the quality control problems arising out in the production.

Private Steel Companies for Joint Venture with SAIL

3178 . SHRI KRISHNA KUMAR BIRLA : Will the Minister of STEEL be pleased to state :

(a) whether some private sector steel companies have expressed their interest in forming a joint venture with SAIL for the Salem Steel Plant in Tamil Nadu;

(b) if so, the details of such companies;

(c) whether any conditionalities have been laid down for private sector steel companies to have joint venture with SAIL;

(d) if so, the details thereof;

(e) the details of consultants appointed for joint venture; and

(f) to what extent the production of steel in the said plant will increase?

THE MINISTER OF STATE OF THE MINISTRY OF STEEL (SHRI DILIP RAY) : (a) and (b) Yes, Sir. The following private companies have expressed their interest for participation in the proposed joint venture for Salem Steel Plant (SSP) of Steel Authority of India Limited (SAIL) :—

— TISCO, Jamshedpur

— Jindal Strips, Delhi

— Shah Alloys, Ahmedabad

— SMS Demag, Germany

— Avesta Sheffield, Swedan

(c) and (d) The pre-qualification criteria indicated in the advertisement issued by SAIL for seeking 'Expression of Interest' envisaged that the strategic partner(s) should have :

— Sound technical, financial and managerial expertise in the area of stainless steel production.

— A minimum of ten years of consistent and proven experience in the production of quality stainless steel in different grades of AISI 300 and 400 series-particularly in 304 and 430 grades in hot rolled and cold rolled coils.

— Preferably, demonstrable experience of marketing stainless steel products in the international arena with a global network.

— Net worth in excess of Rs. 5,000 million (Rupees five thousand milion only) US $ 115 million (US Dollars One hundred fifteen million only).

The advertisement also indicated that the Strategic Partner shall comply with SAIL's decision to absorb all personnel presently working in SSP, with full protection of their existing compensation packages and other service conditions, in case of joint venture through equity participation in Salem Steel Plant.

(e) M/s. JM Morgan Stanly Ltd. (JMMS) have been appointed as Financial Adviser for resturcturing of Salem Steel Plant.

(f) SAIL has indicated that the extent to which the production of steel is likely to be increased in SSP will be known only after finalisation of the strategic alliance partner.

Production and SALE Targets for B.S.P.

3179. SHRI JHUMUK LAL BHENDIA : Will the Minister of STEEL be pleased to state :

(a) The target set by Bhilai Steel Plant for production and sale during 1999-2000 and how many tonnes of steel was sold in domestic and foreign market during last financial year;